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and Certain of Its Affiliates

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re	:
	:
LEHMAN BROTHERS HOLDINGS INC., <i>et al.</i>,	:
	:
Debtors.	:
	:
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**Chapter 11 Case No.
08-13555 (JMP)
(Jointly Administered)**

**ORDER AUTHORIZING DEBTORS TO
ASSUME CERTAIN EXECUTORY CONTRACTS**

WHEREAS on October 25, 2011, the above-captioned debtors and debtors in possession (collectively, the “Debtors”) filed a Plan Supplement [ECF No. 21254], as amended from time to time (the “Plan Supplement”),¹ containing documents and schedules in connection with the Modified Third Amended Joint Chapter 11 Plan of Lehman Brothers Holdings Inc. and its Affiliated Debtors (the “Plan”), dated December 5, 2011 [ECF No. 22973] that was confirmed by order of the Court on December 6, 2011 [ECF No. 23023] (the “Confirmation Order”);²

WHEREAS the Plan became effective on March 6, 2012;

¹ A list of the amendments to the Plan Supplement and other notices and orders pertaining thereto is annexed hereto as Exhibit A.

² Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Plan and the Confirmation Order.

WHEREAS pursuant to the Confirmation Order, the Court approved the assumption, pursuant to sections 365(a) and 1123(b)(2) of the Bankruptcy Code, of each executory contract and unexpired lease designated in the Plan Supplement, other than any executory contracts and unexpired leases set forth on Schedules 1 and 2 of the Confirmation Order, or that were the subject of the objections listed on Schedules 1 and 2 of the Confirmation Order;

WHEREAS the executory contracts listed on Exhibit B hereto (the “BNY Contracts”) were included on Schedule 1 of the Confirmation Order and designated as February 14 Contracts because The Bank of New York Mellon, The Bank of New York Mellon Trust Company, N.A., and BNY Mellon Corporate Trustee Services Limited (collectively, “BNY”), among others in some instances, filed objections [ECF Nos. 22010, 22766, and 22970] (collectively, the “BNY Objection”) to the Debtors’ proposed assumption of such contracts;

WHEREAS the hearing on the Debtors’ proposed assumption of the BNY Contracts has been adjourned to March 21, 2013;

WHEREAS on or around November 13, 2012, BNY instructed the Depository Trust Company, Euroclear, and Clearstream (as applicable) to send notices (each, a “Notice”) to the registered holders (the “Noteholders”) of notes, certificates, bonds or other interests issued pursuant to structures created by the Debtors that are counterparties to the BNY Contracts (such structures, the “SPV Counterparties”);

WHEREAS the Notice contained a copy of a letter (the “Reservation of Rights Letter”) that, among other things, offered to resolve the BNY Objection, as such objection relates to the BNY Contracts, through the execution of a reservation of rights agreement between BNY and the appropriate Debtor for each BNY Contract;

WHEREAS, as more fully set forth in the Notice, BNY requested direction from each Noteholder with regard to the Reservation of Rights Letter, and advised that, in the absence of any direction, BNY would take no further action with respect to the Reservation of Rights Letter, the proposed assumption of the BNY Contracts, or the BNY Objection as it relates to the BNY Contracts;

WHEREAS the Notice warned the Noteholders that if they took no further action with respect to the Reservation of Rights Letter, the proposed assumption of the BNY Contracts, or the BNY Objection, the BNY Objection might be overruled and the Noteholders' rights might be affected;

WHEREAS the Noteholders with interests in the SPV Counterparties did not respond to the Notice or provide direction to BNY with respect to the Reservation of Rights Letter, and, as a result, BNY is not pursuing the BNY Objection as it relates to the BNY Contracts;

WHEREAS because no other objections to the Debtors' assumption of the BNY Contracts remain to be resolved, the Debtors seek this Court's approval to assume the BNY Contracts in accordance with the Confirmation Order and the Plan;

IT IS HEREBY:

ORDERED that pursuant to sections 365(a) and 1123(b)(2) of the Bankruptcy Code, the assumption of the BNY Contracts by the Debtors is hereby approved; and it is further

ORDERED that the filing and service of the Plan and the Plan Supplement, the service of notice of the \$0 cure amount, the publication of the Confirmation Order, the Notice, and the service of a notice of presentment with respect to this Order provides adequate notice of the assumption of the BNY Contracts; and it is further

ORDERED that there are no defaults of any of the Debtors under the BNY Contracts that must be cured pursuant to section 365(b) of the Bankruptcy Code; and it is further

ORDERED that BNY and all SPV Counterparties have been provided with adequate assurance of future performance pursuant to section 365(f) of the Bankruptcy Code; and it is further

ORDERED that the assumption of the BNY Contracts shall not enhance any contractual rights of BNY or any SPV Counterparty that were otherwise unenforceable under the Bankruptcy Code immediately prior to the assumption of such contracts; *provided, however*, that the rights of BNY and all SPV Counterparties to assert that a contractual right was enforceable under the Bankruptcy Code immediately prior to assumption or rejection and the Debtors' rights to dispute any such assertions are fully preserved; and it is further

ORDERED that with respect to the BNY Contracts, any defaults on the part of the Debtors that may arise because of a condition specified in section 365(b)(2) of the Bankruptcy Code ("Ipso Facto Defaults") are not subject to the requirements under section 365(b)(1) of the Bankruptcy Code and no party shall be permitted to declare a default, terminate, cease payment, delivery or any other performance under any executory contract or unexpired lease, or any agreement relating thereto, or otherwise modify any such executory contract or unexpired lease, assert any Claim or right to termination payment, or impose any penalty or otherwise take action against a Debtor as a result of an Ipso Facto Default; and it is further

ORDERED that the Court shall retain jurisdiction to hear and determine all matters arising from or related to this Order.

Dated: New York, New York
March 19, 2013

s/ James M. Peck
Honorable James M. Peck
United States Bankruptcy Judge

EXHIBIT A

**AMENDMENTS TO THE PLAN SUPPLEMENT AND OTHER NOTICES AND
ORDERS PERTAINING THERETO**

1. Amendment No. 1 to the Plan Supplement, filed on November 4, 2011 [ECF No. 21665].
2. Amendment No. 2 to the Plan Supplement, filed on November 15, 2011 [ECF No. 22156].
3. Amendment No. 3 to the Plan Supplement, filed on November 22, 2011 [ECF No. 22590].
4. Amendment No. 4 to the Plan Supplement, filed on November 29, 2011 [ECF No. 22742].
5. Amendment No. 5 to the Plan Supplement, filed on December 2, 2011 [ECF No. 22876].
6. Amendments No. 6 and No. 7 to the Plan Supplement, filed on December 5, 2011 [ECF Nos. 22975 and 22980].
7. Notice of Withdrawal of Debtors' Application to Assume Certain Executory Contracts, filed on January 31, 2012 [ECF No. 24823].
8. Notice of (i) Withdrawal of Debtors' Application to Assume Certain Executory Contracts, (ii) Indefinite Adjournment of Debtors' Application to Assume Certain Executory Contracts, (iii) Adjournment of Hearing on Debtors' Application to Assume Certain Executory Contracts, and (iv) Status Conference on Debtors' Proposed Assumption of Executory Contracts, filed on February 9, 2012 [ECF No. 25201].
9. Third Notice of Withdrawal of Debtors' Application to Assume Certain Executory Contracts, filed on February 13, 2012 [ECF No. 25266].
10. Order Authorizing Debtors to Assume Certain Executory Contracts and Unexpired Leases, entered by the Court on March 19, 2012 [ECF No. 27016].
11. Fourth Notice of Withdrawal or Deferral of Debtors' Application to Assume Certain Executory Contracts, filed on April 3, 2012 [ECF No. 27262].
12. Notice of Adjournment of Hearing on Debtors' Application to Assume Certain Executory Contracts, filed on April 4, 2012 [ECF No. 27272].
13. Fifth Notice of Withdrawal or Deferral of Debtors' Application to Assume Certain Executory Contracts, filed on May 31, 2012 [ECF No. 28313].
14. Notice of Presentment of Order Authorizing Debtors to Assume Certain Executory Contracts and Unexpired Leases, filed on May 31, 2012 [ECF No. 28326].
15. Notice of Adjournment of Hearing on Debtors' Application to Assume Certain Executory Contracts, filed on June 19, 2012 [ECF No. 28871].

16. Sixth Notice of Withdrawal or Deferral of Debtors' Application to Assume Certain Executory Contracts, filed on June 25, 2012 [ECF No. 28956].
17. Corrected Sixth Notice of Withdrawal or Deferral of Debtors' Application to Assume Certain Executory Contracts, filed on June 25, 2012 [ECF No. 28957].
18. Seventh Notice of Withdrawal or Deferral of Debtors' Application to Assume Certain Executory Contracts, filed on August 14, 2012 [ECF No. 30026].
19. Notice of Adjournment of Hearing on Debtors' Application to Assume Certain Executory Contracts, filed on September 12, 2012 [ECF No. 30894].
20. Order Authorizing Debtors to Assume Certain Executory Contract, entered by the Court on September 28, 2012 [ECF No. 31130].
21. Eighth Notice of Withdrawal of Debtors' Application to Assume Certain Executory Contracts, filed on October 19, 2012 [ECF No. 31569].
22. Ninth Notice of Withdrawal of Debtors' Application to Assume Certain Executory Contracts, filed on November 16, 2012 [ECF No. 32144].
23. Order Authorizing Debtors to Assume Certain Executory Contracts, entered by the Court on November 28, 2012 [ECF No. 32382].
24. Tenth Notice of Withdrawal or Deferral of Debtors' Application to Assume Certain Executory Contracts, filed on December 4, 2012 [ECF No. 32574].
25. Notice of Adjournment of Hearing on Debtors' Application to Assume Certain Executory Contracts, filed on December 4, 2012 [ECF No. 32576].
26. Eleventh Notice of Withdrawal of Debtors' Application to Assume Certain Executory Contracts, filed on February 8, 2013 [ECF No. 34503].

EXHIBIT B

BNY CONTRACTS

**THE FOLLOWING CONTRACTS LISTED IN THE PLAN SUPPLEMENT ON
EXHIBIT 2, PART A – DERIVATIVES CONTRACTS – ARE BNY CONTRACTS:**

Counterparty	Debtor	Title of Agreement	Notice Address
Beryl Finance Limited Series 2005-11	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of 10 October 2002 and amended and restated on 22 July 2005	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Avenue New York, NY 10022
			Walkers SPV Limited Walker House, 87 Mary Street George Town, Grand Cayman, Cayman Islands
Beryl Finance Limited Series 2005-16	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of 10 October 2002, as amended and restated on 22 July 2005	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Avenue New York, NY 10022
			Walkers SPV Limited Walker House, 87 Mary Street George Town, Grand Cayman, Cayman Islands
Beryl Finance Limited Series 2007-1	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of 10 October 2002, as amended and restated on 21 July 2006	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Avenue New York, NY 10022
			Walkers SPV Limited Walker House, 87 Mary Street George Town, Grand Cayman, Cayman Islands
Beryl Finance Limited Series 2007-14	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of 10 October 2002, as amended and restated on 20 July 2007	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Avenue New York, NY 10022
			Walkers SPV Limited Walker House, 87 Mary Street George Town, Grand Cayman, Cayman Islands
			Dante Finance Public Limited Company AIB International Centre International Financial Services Centre Dublin 1, Ireland
Quartz Finance 2005-1	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of 10 October 2002, as amended and restated on 11 February 2005	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Avenue New York, NY 10022

Counterparty	Debtor	Title of Agreement	Notice Address
			HSBC Bank, USA CTLA - Structured Finance 10 East 40th Street, Floor 14 New York, NY, 10016 Attn: Thomas Musarra
			Quartz Finance PLC c/o The Bank of New York Mellon - London Branch One Canada Square London, E14 5AL United Kingdom
Ruby Finance 2006-4	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of 10 October 2002, as amended and restated on 22 July 2005	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Avenue New York, NY 10022
			AIB International Center International Financial Services Center North Wall Quay Dublin 1, Ireland Attn: Tom Geary/ Adrian Wrafter
			BNY Corporate Trustee Services Limited - London Branch One Canada Square London London, E14 5AL United Kingdom
			HSBC Bank, USA CTLA - Structured Finance 10 East 40th Street, Floor 14 New York, NY, 10016 Attn: Thomas Musarra
Ruby Finance 2007-3	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of 10 October 2002, as amended and restated on 21 July 2006	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Avenue New York, NY 10022
			BNY Corporate Trustee Services Limited - London Branch One Canada Square London London, E14 5AL United Kingdom
			HSBC Bank, USA CTLA - Structured Finance 10 East 40th Street, Floor 14 New York, NY, 10016 Attn: Thomas Musarra

Counterparty	Debtor	Title of Agreement	Notice Address
Saphir Finance PLC 2005-3 Class A	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of 10 October 2002, as amended and restated on 11 February 2005	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Avenue New York, NY 10022
			BNY Corporate Trustee Services Limited - London Branch One Canada Square London London, E14 5AL United Kingdom
			HSBC Bank, USA CTLA - Structured Finance 10 East 40th Street, Floor 14 New York, NY, 10016 Attn: Thomas Musarra
Saphir Finance PLC 2005-3 Class C	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of 10 October 2002, as amended and restated on 11 February 2005	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Avenue New York, NY 10022
			BNY Corporate Trustee Services Limited - London Branch One Canada Square London London, E14 5AL United Kingdom
			HSBC Bank, USA CTLA - Structured Finance 10 East 40th Street, Floor 14 New York, NY, 10016 Attn: Thomas Musarra
Saphir Finance PLC 2006-10	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of 10 October 2002, as amended and restated on 21 July 2006	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Avenue New York, NY 10022
			AIB International Center International Financial Services Center North Wall Quay Dublin 1, Ireland Attn: Tom Geary/ Adrian Wrafter
			BNY Corporate Trustee Services Limited - London Branch One Canada Square London London, E14 5AL United Kingdom

Counterparty	Debtor	Title of Agreement	Notice Address
			HSBC Bank, USA CTLA - Structured Finance 10 East 40th Street, Floor 14 New York, NY, 10016 Attn: Thomas Musarra
Sunset Park CDO Limited SPC Series 2004-1	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of November 3, 2004	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Avenue New York, NY 10022
			540 West Madison Street, 25th floor Chicago, Illinois 60661 Chicago, IL, 60661 Attn: Matthew Massier
			c/e Maples Finance Limited P.O. Box 1093GT Queensgate House South Church Street Grand Cayman, Cayman Islands British West Indies
			HSBC Bank, USA CTLA - Structured Finance 10 East 40th Street, Floor 14 New York, NY, 10016 Attn: Thomas Musarra
Sunset Park CDO Limited SPC Series 2004-2	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of November 3, 2004	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Avenue New York, NY 10022
			540 West Madison Street, 25th floor Chicago, Illinois 60661 Chicago, IL, 60661 Attn: Matthew Massier
			c/e Maples Finance Limited P.O. Box 1093GT Queensgate House South Church Street Grand Cayman, Cayman Islands British West Indies
			HSBC Bank, USA CTLA - Structured Finance 10 East 40th Street, Floor 14 New York, NY, 10016 Attn: Thomas Musarra

Counterparty	Debtor	Title of Agreement	Notice Address
Sunset Park CDO Limited SPC Series 2004-4	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of December 20, 2004	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Avenue New York, NY 10022
			540 West Madison Street, 25th floor Chicago, Illinois 60661 Chicago, IL, 60661 Attn: Matthew Massier
			c/e Maples Finance Limited P.O. Box 1093GT Queensgate House South Church Street Grand Cayman, Cayman Islands British West Indies
			HSBC Bank, USA CTLA - Structured Finance 10 East 40th Street, Floor 14 New York, NY, 10016 Attn: Thomas Musarra
Topaz Finance Ltd 2005-1	Lehman Brothers Special Financing Inc.	ISDA Master Agreement dated as of 10 October 2002, as amended and restated on 30 January 2004	Eric A. Schaffer Michael J. Venditto Reed Smith LLP 599 Lexington Avenue New York, NY 10022
			540 West Madison Street, 25th floor Chicago, Illinois 60661 Chicago, IL, 60661 Attn: Matthew Massier
			BNY Corporate Trustee Services Limited - London Branch One Canada Square London London, E14 5AL United Kingdom
			HSBC Bank, USA CTLA - Structured Finance 10 East 40th Street, Floor 14 New York, NY, 10016 Attn: Thomas Musarra